UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K/A

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): November 25, 2013

Enstar Group Limited
(Exact name of registrant as specified in its charter)

Bermuda	001-33289	N/A
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

P.O. Box HM 2267, Windsor Place, 3rd Floor **22 Queen Street, Hamilton HM JX Bermuda**	**N/A**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (441) 292-3645

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

We are amending the Current Report on Form 8-K that we filed on November 25, 2013 to include the Financial Statements of Business Acquired in connection with the acquisition of Atrium Underwriting Group Ltd. ("Atrium") from Arden Holdings Ltd., and to include the Pro Forma Financial Information set forth below under Item 9.01 Financial Statements and Exhibits.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired.

The required consolidated financial statements of Atrium are attached hereto as Exhibits 99.1 and 99.2 and are incorporated in their entirety herein by reference.

(b) Pro Forma Combined Financial Information.

The required pro forma financial information is attached hereto as Exhibit 99.3 and is incorporated in its entirety herein by reference.

(d) Exhibits

Exhibit Number	Description
23.1	Consent of Ernst & Young LLP.
99.1	Audited financial statements of Atrium Underwriting Group Ltd. as of and for the year ended December 31, 2012.
99.2	Unaudited interim financial statements of Atrium Underwriting Group Ltd. as of September 30, 2013 and for the nine months ended September 30, 2013 and 2012.
99.3	Preliminary unaudited pro forma condensed combined financial information as of and for the nine months ended September 30, 2013 and for the year ended December 31, 2012.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ENSTAR GROUP LIMITED

Date: February 11, 2014

By: /s/ Richard J. Harris
Richard J. Harris
Chief Financial Officer

EXHIBIT INDEX

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Exhibit 23.1

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in the Registration Statements (S-8 No. 333-149551, 333-148863, 333-148862, 333-141793) pertaining to the Employee Share Purchase Plan of Enstar Group Limited, the Enstar Group Limited Deferred Compensation and Ordinary Share Plan for Non-Employee Directors, The Enstar Group, Inc. 1997 Omnibus Incentive Plan and The Enstar Group, Inc. 2001 Outside Directors Stock Option Plan, and the Enstar Group Limited 2006 Equity Incentive Plan, of our report dated February 11, 2014 with respect to the consolidated financial statements of Atrium Underwriting Group Limited included in the Current Report on Form 8-K/A of Enstar Group Limited dated February 11, 2014 filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP
London, England
February 11, 2014

Exhibit 99.1

ATRIUM UNDERWRITING GROUP LIMITED

31 DECEMBER 2012

ATRIUM UNDERWRITING GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Shareholders
Atrium Underwriting Group Limited:

We have audited the accompanying consolidated balance sheet of Atrium Underwriting Group Limited and subsidiaries ("the Company") as of December 31, 2012, and the related consolidated profit & loss account for the year then ended. These consolidated financial statements are the responsibility of the Company's management and the Board of Directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

UK Generally Accepted Accounting Practice ('UK GAAP') requires that financial statements be presented with comparative financial information. These consolidated financial statements have been prepared solely for the purpose of meeting the requirements of Rule 3-05 of Regulation S-X. Accordingly no comparative financial information is presented.

In our opinion, except for the omission of comparative financial information as discussed in the preceding paragraph, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Atrium Underwriting Group Limited and subsidiaries as of December 31, 2012, and the consolidated results of their operations for the year then ended in conformity with UK GAAP.

Accounting policies generally accepted in the UK vary in certain significant respects from U.S. generally accepted accounting principles. Information relating to the nature and effect of such differences is presented in note 24 to the consolidated financial statements.

Ernst & Young LLP
London, England
February 11, 2014

ATRIUM UNDERWRITING GROUP LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2012

TECHNICAL ACCOUNT – GENERAL BUSINESS

	Note	2012 $ 000
Gross premiums written	2	155,197
Outward reinsurance premiums	2	(104,139)
Net premiums written		51,058
Change in the gross provision for unearned premiums	2	(1,854)
Change in the provision for unearned premiums, reinsurers' share	2	(511)
Change in the net provision for unearned premiums		(2,365)
Earned premiums, net of reinsurance		48,693
Allocated investment return transferred from the non-technical account	4	4,968
Other technical income	3	28,392
Claims paid		
Gross amount	2	(65,852)
Reinsurers' share	2	22,004
Net claims paid		(43,848)
Change in the provision for claims		
Gross amount	2	13,277
Reinsurers' share	2	43,090
Net change in provision for claims		56,367
Claims incurred, net of reinsurance		12,519
Net operating expenses	5	(39,327)
Balance on the technical account for general business		55,245

ATRIUM UNDERWRITING GROUP LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2012

NON-TECHNICAL ACCOUNT

	Note	2012 $ 000
Balance on the general business technical account		**55,245**
Investment income	4	**4,648**
Unrealised gain on investments	4	**2,053**
Investment expenses and charges	4	**(691)**
Unrealised losses on investments	4	**(884)**
Allocated investment return transferred to the general business technical account	4	**(4,968)**
Other charges, including amortisation		**(23,488)**
Profit on ordinary activities before tax		**31,915**
Tax on profit on ordinary activities	10	**(3,483)**
Profit on ordinary activities after tax		**28,432**

The profit and loss account relates entirely to continuing activities.

There are no recognised gains and losses other than the profit or loss for the period, therefore, no statement of total recognised gains or losses has been presented.

ATRIUM UNDERWRITING GROUP LIMITED

CONSOLIDATED BALANCE SHEET
at 31 December 2012

	Note	2012 $ 000
Assets		
Intangible assets		
Goodwill		7,264
Purchased syndicate capacity		4,562
	12	11,826
Investments		
Tangible assets	13	279
Financial investments	14	278,603
Deposits with ceding undertakings	14	353
		279,235
Reinsurers' share of technical provisions		
Provision for unearned premiums	2	3,524
Claims outstanding	2	90,238
	17	93,762
Debtors		
Arising out of direct insurance operations - owed by intermediaries		54,991
Arising out of reinsurance operations		70,152
Other debtors		11,154
	15	136,297
Other assets		
Cash at bank		44,256
		44,256
Prepayments and accrued income		
Deferred acquisition costs	16	18,072
Other prepayments and accrued income		24,562
		42,634
Total assets		608,010

ATRIUM UNDERWRITING GROUP LIMITED

CONSOLIDATED BALANCE SHEET
at 31 December 2012

	Note	2012 $ 000
Liabilities		
Capital and reserves		
Called up share capital	18	**24,702**
Profit and loss account	19	**35,280**
Share premium account		**2,160**
Merger reserve	19	—
Total shareholders funds	19	**62,142**
Technical provisions		
Provision for unearned premiums	2	**62,546**
Claims outstanding	2	**250,319**
	17	**312,865**
Provisions for other risk and charges	10	**33,633**
Deposits received from reinsurers		**165**
Creditors		
Arising out of direct insurance operations		**23,446**
Arising out of reinsurance operations		**145,417**
Other creditors including taxation and social security		**14,764**
	20	**183,627**
Accruals and deferred income		**15,578**
Total liabilities		**608,010**

1. ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements have been prepared solely for the purpose of meeting the requirements of Rule 3-05 of Regulation S-X. The financial statements have been prepared in accordance with UK Generally Accepted Accounting Policies (‘UK GAAP’) and the Statement of Recommended Practice on Accounting for Insurance Business issued by the Association of British Insurers in December 2005, as amended in December 2006, (the ABI SORP).

The syndicates in which the Atrium Group participates are managed and controlled by their respective managing agents. The accounting information in respect of these participations has been provided by the managing agents and has been audited by their respective syndicate auditors. Information in respect of the Atrium Group’s participations on the managed syndicates is available direct from the syndicate accounting records. UK GAAP requires that financial statements be presented with comparative financial information. As these financial statements have been prepared solely for the purpose of meeting the requirements of Rule 3-05 of Regulation S-X, no comparative financial information is presented. See note 24 for reconciliation between UK GAAP and US GAAP.

As a wholly owned subsidiary of Arden Holdings Limited (‘AHL’) throughout the year, the Company has applied the exemption available in FRS 1 from the requirement to prepare a cash flow statement and also applied the exemption available in FRS 8 from the requirement to disclose transactions with related parties.

The Atrium Group’s functional and presentational currency is US Dollars.

(b) Basis of consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are those entities in which the Atrium Group directly or indirectly has the power to govern the operating and financial policies in order to gain economic benefits. The financial statements of subsidiaries are prepared for the same reporting year as the parent company. Subsidiaries are consolidated from the date control is gained and cease to be consolidated from the date control is transferred out.

For each syndicate in which the Atrium Group participates, the Atrium Group’s proportion of the syndicate income and expenses has been reflected in its consolidated income statement and the Atrium Group’s proportion of the syndicate’s assets and liabilities has been reflected in its Consolidated Balance Sheet. Syndicate assets are held subject to trust deeds for the benefit of the syndicate’s insurance creditors.

All inter-company balances, profits and transactions are eliminated.

(c) Premiums

Written premiums comprise the total premiums receivable for the whole period of cover under contracts incepting during the financial year, together with adjustments arising in the financial year to premiums receivable in respect of business written in previous financial years.

All premiums are shown gross of commission payable to intermediaries and are exclusive of taxes and duties levied thereon.

Outwards reinsurance premiums are allocated by the managing agent of each syndicate to reflect the protection purchased by each year of account.

(d) Unearned premiums

Written premiums are recognised as earned income over the period of the policy on a time apportionment basis, having regard, where appropriate, to the incidence of the risk. The specific basis adopted by each individual syndicate is determined by the relevant managing agency.

(e) Claims

Claims incurred comprise the estimated cost of all claims occurring during the period, whether reported or not, including related direct and indirect claims handling costs and adjustments to claims outstanding from previous periods.

The provision for claims outstanding is made on an individual case by case basis and is based on the estimated ultimate cost of all claims notified but not settled by the balance sheet date, together with the provision for related claims handling costs. The provision also includes the estimated cost of claims incurred but not reported at the balance sheet date based on statistical methods. The estimation process will vary from managing agent to managing agent but is likely to include the use of statistical projections based on previous claims history, case by case reviews of notified losses, and the use of security ratings to help assess the financial ability of reinsurers to pay reinsurance recoveries anticipated of them.

The provision for claims outstanding is based on information available at the balance sheet date. Significant delays are experienced in notification and settlement of certain claims and accordingly the ultimate cost of such claims cannot be known with certainty at the balance sheet date. Subsequent information and events may result in the ultimate liability being less than, or greater than, the amount provided. Any differences between provisions and subsequent settlements are dealt with in the technical account – general business of later periods.

The payment of a reinsurance to close premium does not eliminate the liability of the closed year for outstanding claims. If the reinsuring syndicate were to be unable to meet its obligations and other elements of the Lloyd’s chain of security were to fail, then the members of the closed underwriting year would have to settle outstanding claims. The Directors consider that the likelihood of such failure of the reinsurance to close is extremely remote and, therefore, the reinsurance to close has been deemed to settle liabilities outstanding at the closure of the underwriting account and no further provision is made for any potential variation in the ultimate liability of that year of account.

(f) Deferred acquisition costs

Acquisition costs, comprising commission and other costs related to the acquisition of insurance contracts are deferred to the extent that they are attributable to premiums unearned at the balance sheet date.

(g) Unexpired risks

Provision is made where the cost of claims and expenses arising after the end of the financial period from contracts concluded before that date is expected to exceed the provision for unearned premiums, net of deferred acquisition costs, and premiums receivable. The assessment of whether a provision is necessary is made on a syndicate by syndicate basis, using information supplied by the respective managing agents.

(h) Share based incentive schemes

During the financial year, Arden Holdings Limited ('AHL') operated a number of executive and employee share based incentive schemes for the staff and directors of the Atrium Group. The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instrument at the date at which it was granted. The expense which is recharged from AHL is recognised in the profit and loss account over the performance period of the share based incentive scheme.

The fair value of the equity-settled transactions granted was set by the Board of Directors of AHL.

(i) Leases

Rentals payable under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

(j) Pensions

The Atrium Group incurs pension costs from a defined contribution scheme, which is operated by Atrium Group Services Limited. Certain Directors and staff have personal pension arrangements to which the Atrium Group contributes. Contributions are charged to the profit and loss account as they become payable in accordance with rules of the schemes.

(k) Investment income and expenses

Interest income and investment expenses are recognised on an accruals basis.

Realised investment gains and losses are calculated as the difference between net proceeds on disposal and their purchase price.

Unrealised investment gains and losses are calculated as the difference between the valuation at the balance sheet date and their valuation at the last balance sheet date or purchase price, if acquired during the year. Unrealised investment gains and losses include adjustments in respect of unrealised gains and losses recorded in prior years that have been realised during the year and are reported as realised gains and losses in the current profit and loss account.

Investment return, comprising investment income, realised and unrealised gains and losses, and investment expenses, is included initially within the non-technical account. Investment return on the Atrium Group's share of syndicate investments is allocated from the non-technical account to the technical account - general business so as to reflect that the Atrium Group's investments are supporting its underwriting activities.

(l) Other technical income

Other technical income consists of net retained agency fees receivable and profit commissions. Profit commissions are earned in line with the annual accounting results of the managed syndicates.

Under annual accounting, underwriting results relating to a particular year of account are recognised during the three years in which that year of account is normally open, in line with the earnings pattern of the insurance business attaching to the year.

(m) Income tax

The tax expense represents the sum of the current tax and deferred tax.

Current income tax: the current tax charge is based on the taxable profit for the year. Taxable profit differs from profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates enacted or substantively enacted at the balance sheet date.

Deferred income tax: deferred income tax is generally provided in full, on timing differences arising between the tax bases of assets and liabilities and their carrying value in the financial statements. Deferred income tax is determined using tax rates enacted or substantively enacted at the balance sheet date and which are expected to apply when the related tax is payable or receivable.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the timing differences can be used. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all of part or the asset to be recovered.

(n) Investments

Investments are stated at their current values at the end of the year. Listed investments are included in the balance sheet at market value. Unlisted investments are stated at an estimate of market value determined by the managing agents of the relevant syndicates. Deposits with credit institutions are included at cost.

(o) Intangible assets

Syndicate participations

Managed syndicate capacity purchased at auction is capitalised at cost and amortised on a straight-line basis over its estimated useful life of 20 years less any accumulated impairment losses. Third party syndicate capacity purchased at auction is capitalised at cost and amortised on a straight-line basis over its estimated useful life of three years. Amortisation is charged from the beginning of the first accounting period following acquisition, when the asset becomes available for use.

Managed syndicate capacity is reviewed annually for impairment or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The amount of any impairment is charged to the income statement in the year in which the impairment arises.

Goodwill

Positive goodwill arising on acquisitions is capitalised, classified as an asset on the balance sheet and amortised on a straight-line basis over its useful economic life up to a presumed maximum of 20 years. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable. In the case of goodwill arising on the acquisition of a Lloyd's managing agency or corporate member amortisation is charged from the first accounting period following acquisition.

NOTES TO THE FINANCIAL STATEMENTS
at 31 December 2012

(p) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and impairment losses.

Depreciation is calculated to write off the cost of all tangible fixed assets, in equal annual installments over their estimated useful lives at the following rates:

Fixtures, fittings and equipment	20% per annum
Computer equipment	33 1/3% per annum

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

(q) Foreign currencies

Items in the profit and loss account have been translated into the local currency of US Dollars at the average rate for the quarter in which the transaction takes place, whilst the Balance Sheet has been translated at the exchange rate on the balance sheet date as per the following table, with translation differences being recognised through the 'non-technical' account:

	Balance sheet rate at 31 December 2012	Average rate for Quarter 1 2012	Average rate for Quarter 2 2012	Average rate for Quarter 3 2012	Average rate for Quarter 4 2012
Sterling	1.6168	1.5710	1.5836	1.5799	1.6060
Euro	1.3218	1.3110	1.2851	1.2514	1.2971
Canadian dollars	1.0034	0.9982	0.9906	1.0045	1.0090
Singapore dollars	0.8173	0.7911	0.7916	0.8019	0.8179

All other exchange differences are included in the technical account.

2. SEGMENTAL ANALYSIS

2012	**Gross Premiums Written $ 000**	**Gross Premiums Earned $ 000**	**Gross Claims Incurred $ 000**	**Gross Operating Expenses $ 000**	**Reinsurance Balance $ 000**	**Net Technical Result $ 000**	**Net Technical Provisions $ 000**
Direct business							
Accident and health	**14,412**	**13,672**	**(5,762)**	**(5,958)**	**914**	**2,866**	**9,847**
Motor	**1,924**	**1,973**	**(1,287)**	**(859)**	**614**	**441**	**1,702**
Marine, aviation and transport	**58,168**	**59,050**	**(10,617)**	**(20,154)**	**(5,803)**	**22,476**	**57,511**
Fire and other damage to property	**36,530**	**35,146**	**(13,814)**	**(12,993)**	**(19,873)**	**(11,534)**	**45,911**
Third party liability	**27,959**	**27,196**	**(13,458)**	**(10,091)**	**(5,859)**	**(2,212)**	**73,295**
Other	**2,241**	**1,938**	**(681)**	**(621)**	**1,196**	**1,832**	**3,420**
Total direct	**141,234**	**138,975**	**(45,619)**	**(50,676)**	**(28,811)**	**13,869**	**191,686**
Reinsurance Business							
Reinsurance acceptances	**13,963**	**14,368**	**(6,956)**	**(2,035)**	**(7,218)**	**(1,841)**	**27,417**
	155,197	**153,343**	**(52,575)**	**(52,711)**	**(36,029)**	**12,028**	**219,103**

Other technical income	**28,392**
Expenses eliminated on consolidation	**9,857**
Allocated investment return	**4,968**
Balance on technical account	**55,245**

All premiums were concluded in the UK.

The geographic analysis of premiums by destination is as follows:

	2012 %
UK	3
Other EU countries	7
US	25
Other	65
	100

3. OTHER TECHNICAL INCOME

	2012 $ 000
Fee income	8,064
Commission income	20,206
Other Income	122
	28,392

4. INVESTMENT RETURN

	2012 $ 000
Investment income	
Income from investments	4,534
Net gains on the realisation of investments	—
Other interest	114
	4,648
Investment expenses and charges	
Investment management expenses	(295)
Net losses on the realisation of investments	(396)
	(691)
Net unrealised gains on investments	
Unrealised gains on investments	2,053
Unrealised losses on investments	(884)
	1,169
Total investment return	5,126

5. NET OPERATING EXPENSES

	2012 $ 000
Brokerage and other business acquisition expenses	35,861
Change in deferred acquisition costs	(1,218)
Foreign exchange (gain)/loss	(950)
Syndicate operating expenses	5,348
Direct operating expenses	1,549
	40,590
Reinsurance commissions receivable	(1,263)
	39,327

6. STAFF COSTS

	2012 $ 000
Wages and salaries	20,278
Profit related remuneration	8,573
Share based payments recharge	6,920
Social security costs	3,111
Defined pension contribution costs	2,888
	41,770
Recharged to external names	(16,669)
	25,101

As at the balance sheet date, there were pension contributions outstanding of $nil.

The average monthly number of persons including Executive Directors employed by the Atrium Group during the year was 142.

7. DIRECTORS EMOLUMENTS

The disclosure below relates to Directors within the Atrium Group.

	2012 $
Directors' emoluments	
Executive services	8,345,159
Pension contributions	737,460
	9,082,619

During 2012 11 Directors within the Atrium Group benefitted from the vesting of long term incentive plan awards. During 2012, certain Atrium Group Directors received share awards under the Arden Long Term Incentive Plan and received matching shares under the Arden Matching Share Plan.

	2012
Number of Atrium Group Directors who received share awards under the Arden Long Term Incentive Plan	**11**
Number of Atrium Group Directors who received share awards under the Arden Matching Share Plan	**11**
Number of Atrium Group Directors to whom retirement benefits are accruing under a defined contribution pension scheme	**12**
In respect of the highest paid group Director, the following emoluments were paid:	
Executive services	**$1,160,302**
Pension contribution	**95,100**
	$1,255,402

The highest paid Atrium Group Director received an award of restricted stock units under the Arden Long Term Incentive Plan and an award of shares under the Arden Matching Share Plan during the period.

8. SHARE BASED INCENTIVE SCHEMES

FRS 20 'Share-based payments' requires all share-based payments that were granted after 7 November 2002, but that had not yet vested at 1 January 2005, to be expensed based on their fair value at the date of grant. The expense is recognised in the profit and loss account over the vesting period of the share-based payment.

AHL, the ultimate parent company, operates two share based incentive schemes for the employees of the Atrium Group, as set out below. Fair value was initially established with reference to a valuation study completed by an independent valuation firm, Duff & Phelps. For awards granted and vesting in 2011, AHL determined that fair value would be based on fully diluted book value per AHL share. The Directors are of the opinion that the recharge is not materially different from amounts that would be calculated under FRS 20.

Following acquisition of the Atrium Group by AHL, a new Long Term Incentive Plan ("LTIP") share award scheme was established in 2008 and awards comprising conditional awards of shares in AHL were made in 2009, 2010 and 2011.

On 4 February 2010 AHL declared a dividend of $40 per share and on 19 January 2011 AHL declared a dividend of $33 per share. Under the terms of the AHL LTIP scheme, additional awards were made, attaching to the relevant unvested original award to reflect the values of those dividends.

On 3 June 2011 and on 29 February 2012 the 2008 and 2009 LTIP Awards respectively vested in full on satisfaction of performance conditions. In March 2011 further awards were made under the AHL LTIP scheme.

Awards made in 2009, 2010 and 2011 under the AHL LTIP scheme comprised a conditional award of shares in AHL. The grantee would only actually receive the shares if over a three year period they remained an employee of the Atrium Group and the performance conditions were satisfied, over the three years ending.

December 2011, 2012 and 2013 respectively, at which points, on evaluation of the performance criteria, the grantee would be given fully paid ordinary shares in AHL.

In July 2012 grantees of awards under the 2010 and 2011 AHL LTIP scheme were given a one-off opportunity to fix the value of their outstanding LTIP awards by reference to their market value, determined by the Board of AHL as being the diluted book value of $118.97 per share, and on vesting, subject to satisfaction of the performance conditions (see below), receive an entitlement to a deferred cash payment. The majority of grantees took the option to fix the value of their respective awards in deferred cash but a minority retained their original share-based award.

In July 2012 further awards were made under the AHL LTIP scheme. Under the terms of the scheme grantees received an award of an entitlement to a deferred fixed cash payment that they will receive if over a three year period they remain an employee of the Atrium Group and the performance conditions (see below) are met over the three years ending 31 December 2014.

The performance conditions are based on the Atrium Group's return on capital and therefore ensure that any rewards received are commensurate with the Atrium Group's performance over the performance period.

These are conditional Awards over 18,627 AHL shares in respect of the 2010 and 2011 LTIP Awards and entitlements to deferred cash payments of $12,275,368 under the 2010, 2011 and 2012 awards. Of the 136,128 outstanding share awards in the table below are 103,180 relating to these deferred cash payments.

Matching Share Plan (MSP)

The MSP was introduced in 2008 as a replacement for previous Atrium Group all employee share incentive plans which were in place prior to the acquisition of the Atrium Group by AHL. The MSP was made available to all permanent employees of the Atrium Group in 2008, 2009, 2010, 2011 and again in 2012. The MSP allows permanent employees to purchase annually the US$ equivalent value of up to £8,000 of AHL shares at unrestricted market value. The shares purchased are registered in an Atrium Group employee benefit trust with EES Trustees International Limited, with participating employees having full beneficial ownership of the shares.

For each AHL share purchased, AHL grant participating employees a matching award over further AHL shares on a one for one basis. Participating employees are only entitled to receive the matching award shares three years after grant if they remain an Atrium Group employee for the three year period.

AHL declared a dividend of $40 per share on 4 February 2010 and a further dividend of $33 per share on 19 January 2011. Under the terms of the MSP scheme, additional matching awards over further AHL shares were granted to reflect the value of those dividends in respect of the 2008, 2009 and 2010 MSP Matching Awards.

The 2008 and 2009 MSP Matching Awards vested in August 2011 and August 2012 respectively. Participants could either exercise their MSP Matching Awards, thereby acquiring the beneficial ownership of the relevant shares or alternatively, not exercise their option, thereby retaining their Matching Award as a Nil Cost Option.

There are conditional matching awards under the 2010, 2011 and 2012 MSP scheme over 22,286 AHL shares. 14,149 AHL shares are held in trust on behalf of participants and their spouses.

The Atrium Group has been recharged $6,920k during 2012 in respect of the above awards and is included within Staff costs (see Note 5).

Share Repurchase

In May 2012 the Board of AHL resolved to effect a mandatory repurchase of 63.76% of its issued and outstanding shares at a value of $112 per share.

NOTES TO THE FINANCIAL STATEMENTS
at 31 December 2012

In December 2012 the Board of AHL resolved to effect a mandatory repurchase of 26.34% of its issued and outstanding shares at a value of $140 per share.

The numbers of AHL shares noted above as held on trust on behalf of participants in the AHL LTIP and MSP schemes are stated after the share repurchase transactions.

These were the following movements in the number of share awards held by employees:

	Year ended 31 December 2012 Number	Weighted average fair value US$
Outstanding at 1 January	149,676	93.63
Granted	43,490	134.07
Dividend Adjustment	—	—
Vested	(46,530)	77.09
Forfeited	(10,505)	105.15
Outstanding at 31 December	136,131	112.63

9. AUDITORS REMUNERATION

	2012 $ 000
Audit of the financial statements	496
Non audit work	20
	516

10. TAX

(a) Tax on profit on ordinary activities

	2012 $ 000
The tax charge is made up as follows:	
Current tax:	12,783
UK corporation tax	
Tax underprovided (over) in previous years	(1,554)
	11,229
Foreign tax	523
Total current tax (note 10 (b))	11,752
Deferred tax:	
Origination and reversal of timing differences	(4,935)
Deferred tax underprovided/(over) in previous years	(309)
Effect of decreased tax rate	(3,025)
Total deferred tax (note 10 (c))	(8,269)
Tax on profit on ordinary activities	3,483

(b) Factors affecting the current tax charge

	$ 000
The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 24.5% . The differences are reconciled below:	
Profit on ordinary activities before tax	**31,915**
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5%	**7,819**
Effects of:	
Timing of underwriting profits	**4,558**
Other timing differences	**(12)**
Utilisation of tax losses brought forward	**—**
Tax overprovided in previous years	**(1,554)**
Foreign tax	**523**
Permanent differences	**418**
Current tax charge for period (note 10(a))	**11,752**

(c) Deferred tax

	$ 000
Balance at 1 January	**(41,902)**
Deferred tax credit (charge) in profit and loss account (note 10(a))	**8,269**
At 31 December	**(33,633)**
Analysis of deferred tax liability at 31 December:	
Provision for underwriting results	**(36,341)**
Other	**2,708**
	(33,633)

The deferred tax liability in respect of underwriting results relates to the underwriting results that have arisen on the 2010, 2011 and 2012 years of account. These results will be assessed to tax in 2013, 2014 and 2015 respectively.

(d) Factors affecting future tax charges

The Atrium Group profits are taxable in the UK under the standard rate of corporation tax being 24.5% for 2012.

On 21 March 2012, the UK government announced as part of the Budget that the rate of corporation tax would be reduced by an additional 1% at 1 April 2012, from the 25% rate enacted as part of Finance Act 2011. The 24% rate was substantively enacted on 26 March 2012, and enacted on 17 July 2012 when Finance Bill 2012 received Royal Assent. It was also announced that a rate of corporation tax of 23% would apply from 1 April 2013, which was substantively enacted and enacted on 3 July 2012 and 17 July 2012 respectively. The closing deferred tax liability has taken into account the substantively enacted rate of corporation tax as at the balance sheet date.

Furthermore, the Government announced in the Autumn Statement on 5 December 2012 that it intends to reduce the rate of corporation tax by a further 2% to 21% to apply from 1 April 2014. A further reduction of 1% to apply from 1 April 2015 was announced in the budget on 20 March 2013. The reduction to 20% has not been reflected in the closing deferred tax liability as it has not been substantively enacted at the balance sheet date. It is anticipated that the impact of this future change on the closing deferred tax position would be $1,335,000.

11. DIVIDENDS

Declared and paid during the year on ordinary shares	2012 $ 000
Equity dividends paid:	
Interim dividend	29,400

12. INTANGIBLE ASSETS

	Goodwill $ 000	Purchased syndicate capacity $ 000	Total $ 000
Cost			
At 1 January 2012	20,756	10,105	30,861
Disposals	—	—	—
At 31 December 2012	20,756	10,105	30,861
Amortisation			
At 1 January 2012	12,454	5,038	17,492
Amortisation on disposals	—	—	—
Provided during the year	1,038	505	1,543
At 31 December 2012	13,492	5,543	19,035
Net book value			
At 31 December 2012	7,264	4,562	11,826
At 1 January 2012	8,302	5,067	13,369

13. FIXED ASSETS

	Computer equipment $ 000	Office refurbishment $ 000	Fixtures, fittings & equipment $ 000	Total $ 000
Cost				
At 1 January 2012	7,614	413	210	8,237
Purchases	42	126	—	168
Disposals	(2)	(46)	—	(48)
At 31 December 2012	7,654	493	210	8,357
Depreciation				
At 1 January 2012	7,360	299	197	7,856
Depreciation on disposals	—	—	—	—
Provided during the year	172	38	12	222
At 31 December 2012	7,532	337	209	8,078
Net book value				
At 1 January 2012	254	114	13	381
At 31 December 2012	122	156	1	279

14. FINANCIAL INVESTMENTS

	2012 Historic Cost $ 000	2012 Market Value $ 000
Debt securities and other fixed income securities	248,844	249,856
Loans and deposits with credit institutions	10,600	10,667
Other investments	1,959	1,959
Money market balances	16,121	16,121
	277,524	278,603

Analysis of market value	2012 $ 000
Listed investments	249,856
Unlisted investments	12,626
Money market balances	16,121
	278,603

Disclosure of Fair Values in accordance with the fair value hierarchy

In accordance with the Amendments to FRS 29 Financial Instruments: Disclosures, the fair value of financial instruments based on a three-level fair value hierarchy that reflects the significance of the inputs used in measuring the fair value is provided below.

The levels of the fair value hierarchy are defined by the standard as follows:

Level 1 - fair values measured using quoted prices (unadjusted) in active markets for identical instruments,

Level 2 - fair values measured using directly or indirectly observable inputs or other similar valuation techniques for which all significant inputs are based on observable market data,

Level 3 - fair values measured using valuation techniques for which significant inputs are not based on market observable data.

The fair value of the Atrium Group's financial assets are based on prices provided by investment managers who obtain market data from numerous independent pricing services. The pricing services used by the investment manager obtain actual transaction prices for securities that have quoted prices in active markets. For those securities which are not actively traded, the pricing services use common market valuation pricing models. Observable inputs used in common market valuation pricing models include, but are not limited to, broker quotes, credit ratings, interest rates and yield curves, prepayment speeds, default rates and other such inputs which are available from market sources.

Included within Level 1 of the hierarchy are the Atrium Group's share of Government bonds and Treasury bills which are measured based on quoted prices over which the Atrium Group has control.

Level 2 of the hierarchy contains the Atrium Group's share of U.S Government Agencies, Corporate Securities, Asset Backed Securities, Mortgage Backed Securities over which the Atrium Group has control. The fair value of these assets are based on prices obtained from both investment managers and investment custodians as discussed above. This level also include a disclosure of the Atrium Group's share of investments held by non managed syndicates. The directors have classified these holdings as Level 2 following discussions with the relevant managing agency.

The Atrium Group records the unadjusted price provided and validates the price through a number of methods, including a comparison of the prices provided by the investment managers with the investment custodians and the valuation used by external parties to derive fair value. Quoted prices for US Government Agencies and Corporate Securities are based on a limited number of transactions for those securities and as such the Atrium Group considers these instruments to have similar characteristics of those instruments classified as Level 2.

Having reviewed the Atrium Group's investments using the above criteria as valuation and pricing, the Directors are satisfied that there are no Level 3 investments.

In certain cases, the inputs used to measure the fair value of a financial instrument may fall into more than one level within the fair value hierarchy. In this instance, the fair value of the instrument in its entirety is classified based on the lowest level of input that is significant to the fair value measurement.

During the year, there were no transfers made between Level 1 and Level 2 of the fair value hierarchy.

	Level 1 $ 000	Level 2 $ 000	Level 3 $ 000	Total fair value $ 000
Financial assets:				
Government securities	112,109	49,455	—	161,564
Corporate	—	66,870	—	66,870
Asset backed securities	—	14,531	—	14,531
Mortgage backed securities	—	10,667	—	10,667
Deposits with ceding undertakings	—	353	—	353
Money market balances	16,121	—	—	16,121
Group Share of Non managed syndicate investments	—	8,850	—	8,850
	128,230	150,726	—	278,956

15. DEBTORS

	2012 $ 000
Amounts falling due within one year	
Arising out of direct insurance operations	
- owed by intermediaries	**54,934**
Arising out of reinsurance operations	**70,066**
Other debtors	**8,148**
	133,148
Amounts falling due after one year	
Arising out of direct insurance operations	
- owed by intermediaries	**57**
Arising out of reinsurance operations	**86**
Other debtors	**3,006**
	3,149
	136,297

16. DEFERRED ACQUISITION COSTS

	2012 $ 000
At 1 January	16,854
Change in deferred acquisition costs	1,218
At 31 December	18,072

17. TECHNICAL PROVISIONS

	Gross $ 000	Reinsurers' share $ 000	Net $ 000
Notified outstanding claims	99,232	(72,876)	26,356
Provision for Claims incurred but not reported	148,595	(17,362)	131,233
Claims handling expenses	2,492	—	2,492
Unearned premiums	62,546	(3,524)	59,022
	312,865	(93,762)	219,103

18. SHARE CAPITAL

	31 December 2012 Number	$ 000
Allotted, called up and fully paid ordinary shares	17,060,405	24,702

19. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

2012	Share Capital $ 000	Share Premium $ 000	Merger Reserve $ 000	Profit and loss account $ 000	Total $ 000
At 1 January 2012	24,702	2,160	6,281	29,967	63,110
Profit for the financial year	—	—	—	28,432	28,432
Reserve transfer (see below)	—	—	(6,281)	6,281	—
Dividend	—	—	—	(29,400)	(29,400)
At 31 December 2012	24,702	2,160	—	35,280	62,142

In 1998 in accordance with Section 131 of Companies Act 1985, and subsequently Section 612 of the Companies Act 2006, the $7.8 million premium on ordinary shares issued as part of the purchase of Atrium Cockell Group Limited ("ACGL") was recorded within the merger reserve. Following the dissolution of ACGL on 4 September 2012 this profit has been fully realised and transferred to the retained earnings.

20. CREDITORS

	2012 $ 000
Amounts falling due within one year	
Arising out of direct insurance operations	**23,446**
Arising out of reinsurance operations	**144,848**
Other creditors including taxation and social security	**14,491**
	182,785
Amounts falling due after one year	
Arising out of direct insurance operations	—
Arising out of reinsurance operations	**569**
Other creditors including taxation and social security	**273**
	842
	183,627

21. LEASES

	2012 $ 000
At 31 December, the Atrium Group had annual commitments under non-cancellable operating leases as set out below:	
Leases expiring within one year	—
Leases expiring between two and five years	**337**
Leases expiring more than five years	**1,081**

Of the commitments due under operating leases for the period to 31 December 2012, as at 31 December 2012, $866,000 will be reimbursed by the syndicates managed by the Atrium Group.

22. CONTINGENT LIABILITIES

Charge over assets

At 1 January 2013, the Atrium Group's participation in underwriting at Lloyd's is £106.8m, ($172.7m at year end exchange rates,) through ownership of its underwriting subsidiary Atrium 5 Limited (the continuing corporate member). The other underwriting subsidiaries (the ceasing corporate members) have not participated in underwriting at Lloyd's after the 2007 year of account.

On 28 November 2007, the ceasing corporate members and the continuing corporate member, entered into an interavailable Lloyd's Security and Trust Deed securing all monies due and to become due from each company to the Society of Lloyd's. On the same day the Company created a floating charge over all its assets to secure all monies due and to become due from the Company to Lloyd's under the terms of the Deed of Indemnity provided by the Company to Lloyd's in connection with the foregoing.

Under the terms of the interavailable Lloyd's Security and Trust Deed, the ceasing corporate members and the continuing corporate member gave undertakings to the Society of Lloyd's, supported by a commitment from the Company, that if one of them failed to meet any of its obligations to Lloyd's the others would assign to Lloyd's on demand their rights to current and future profits held in their Premium Trust Funds or contribute profits received out of their Trust Funds to the Central Fund of Lloyd's in each case until the amounts owed by the defaulting subsidiary were paid in full.

On 23 March 2010 the underwriting subsidiaries signed Deeds of Transition and new Trust Deeds to facilitate the implementation by the Society of Lloyd's of a new Trust Deed architecture. The changes made to the documentation related to streamlining and simplifying the administration of Funds at Lloyd's and do not have any financial impact on the Group.

On 26 May 2010, following closure of the 2007 year of account at which point the ceasing corporate members had no further participations on any syndicates at Lloyd's, they each entered into a Deed of Total Determination Release and Substitution whereby the interavailable Letter of Credit provided as a Lloyd's Deposit under the aforementioned Security and Trust Deed was replaced by a non-interavailable Letter of Credit provided by the continuing member. On the same date, in order to secure the release of the ceased members funds at Lloyd's, the ceasing corporate members entered into a Deed of Indemnity agreement with the Company by which the Company has given an undertaking to the Society of Lloyd's that if the ceasing corporate members failed to meet any of their obligations to Lloyd's in respect of US Federal Income and US Federal Excise tax liabilities as well as any tax liabilities in those jurisdictions where the ceased member underwrote insurance business, then the Company would meet those obligations in full.

23. SUBSEQUENT EVENT

Ultimate Holding Company

On 5 June 2013, AHL entered into a definitive agreement with two subsidiaries of Enstar Group Limited ("Enstar") under which Enstar agreed to acquire the entire issued share capital of the Atrium Group. As at 30 September 2013, completion of the transaction remained conditioned on, among other things, governmental and regulatory approvals and satisfaction of various customary closing conditions. Enstar subsequently announced that Trident V, L.P., Trident V Parallel Fund, L.P. and Trident V Professionals Fund, L.P. (collectively, "Trident") had acquired a 40% interest in the holding company for the acquisition subsidiary on 3 July 2013 and had agreed to provide 40% of the purchase price and related expenses for the acquisition of the Atrium Group.

The parties to the definitive purchase agreement for the acquisition entered into a deed of variation on 21 November 2013, which provided, among other things, for the payment of a $25.0 million pre-completion dividend from Atrium to AHL and a corresponding $25.0 million reduction in the purchase price (bringing the total purchase price from $183.0 million to $158.0 million). The transaction was completed on 25 November 2013.

In addition, on 5 June 2013, AHL entered into a definitive agreement with two subsidiaries of Enstar under which Enstar agreed to acquire the entire issued share capital of Arden Reinsurance Company Limited "Arden Re"), which is also a subsidiary of AHL. Arden Re is a Bermuda-based reinsurance company that provides reinsurance to Atrium's corporate name. The two transactions are governed by separate purchase agreements and Enstar's acquisition of the Atrium Group was not conditioned on its acquisition of Arden Re. On 9 September 2013, Arden Holdings completed its sale of Arden Re's entire issued share capital to Enstar's wholly-owned subsidiary and Trident.

24. SIGNIFICANT DIFFERENCES BETWEEN ACCOUNTING PRINCIPLES IN THE UNITED KINGDOM ("UK GAAP") AND ACCOUNTING PRINCIPLES IN THE UNITED STATES OF AMERICA ("US GAAP")

The Atrium Underwriting Group Limited financial statements have been prepared in accordance with UK GAAP as applied in note 1. UK GAAP differs to the requirements of US GAAP in certain respects. The effects of the application of US GAAP to the profit for the period after taxation, as determined under UK GAAP, are set out in the tables below:

a) Profit for the 12 months ending 31 December

Income Statement

		2012 $ 000
UK GAAP profit for the period after taxation		**28,432**
US GAAP adjustments:		
i) Amortisation of goodwill and purchased capacity	1,543	
ii) DAC adjustment	(323)	
iii) Taxation	282	
Total US GAAP Adjustments		1,502
Amount treated as OCI		
iv) Unrealised (gains)/losses		132
Net income under US GAAP		**30,066**

Comprehensive Income

	2012 $ 000
Profit in accordance with US GAAP	**30,066**
Amount transferred from Income Statement	
iv) Unrealised (gains)/losses	(132)
Comprehensive income in accordance with US GAAP	**29,934**

i) Amortisation of goodwill and purchased capacity

Under UK GAAP goodwill arising on acquisitions and purchased syndicate capacity is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life up to a presumed maximum of 20 years. Under US GAAP goodwill and purchased capacity is not automatically amortised but reviewed, annual or more frequently if impairment indicators exist, for impairment instead. We have carried out an impairment review and no write down is required.

ii) DAC adjustment

Under UK GAAP the ABI SORP allows deferral of direct and indirect costs arising in the acquisition of insurance contracts. Under US GAAP insurance entities are required to capitalise certain acquisition costs directly related to successful insurance contracts. Indirect costs are required to be expensed as incurred.

iii) Taxation

This adjustment reflects the differences between the calculation of current and deferred taxation as set out in the table below:

	2012 $ 000
US GAAP Taxation adjustments	
Current taxation	328
Deferred taxation	(610)
	(282)

UK entities are taxed locally level with reference to their UK GAAP taxable profits. Adjustments made to present the consolidated results of the group under US GAAP are both presentational and numerical. To the extent that a temporary difference exists due to adjustments made, deferred tax has been recognised under US GAAP principles. The tax impact in the year is either in the profit and loss account or Other Comprehensive Income for US GAAP purposes, following where the underlying item to which the tax relates is accounted for. This is with the exception of the impact of tax rate changes, which are provided in the profit and loss account

iv) Amortisation adjustment and unrealised (gains)/losses re investments

Under UK GAAP investments are stated at their current values at the end of the period. Unrealised gains and losses are calculated as the difference between the valuation at the balance sheet date and their valuation at the last balance sheet date or purchase price, if acquired during the period. Unrealised gains and losses are included within investment return in the Profit and Loss Account.

Under US GAAP these investments are classified as available-for-sale and are carried at fair value, with unrealized gains and losses excluded from net earnings and reported as a separate component of accumulated Other Comprehensive Income. Amortization of premium or discount is recognized using the effective yield method and included in net investment income.

b) Balance Sheet as at 31 December 2012

	2012 $ 000
UK GAAP shareholders' equity interest	**62,142**
US GAAP adjustments:	
Amortisation of goodwill and purchased capacity	19,035
DAC adjustment	(2,243)
v) Taxation	34
Total US GAAP Adjustments	16,826
Net shareholders equity interest under US GAAP	**78,968**

v) Taxation

This adjustment reflects the differences between the calculation of current and deferred taxation as set out in the table below:

	2012 $ 000
US GAAP Taxation adjustments	
Current taxation	0
Deferred taxation	(34)
	(34)

The position presented in the table above represents the cumulative impact of GAAP differences as at each balance sheet date, being due to temporary differences arising on differences between UK GAAP and US GAAP for DAC, purchased syndicate capacity amortisation, and amortisation adjustments regarding investments.

c) Cashflow Statement For the 12 months to 31 December 2012

As a wholly owned subsidiary the Company applied the exemption available in FRS 1 from the requirement to prepare a cash flow statement for UK GAAP reporting purposes. Attached is the US GAAP cashflow statement.

Cash flows provided by operating activities:	
Net income	29,934
Adjustments to reconcile net income to net cash provided by operating activities:	
Net realized investment (gains) losses	(110)
Net unrealised investment (gains) losses	0
Net realized investment gains on foreign exchange	(950)
Net amortization on fixed maturity and short-term investments	1,299
Depreciation	222
Change in:	
Deposits with ceding companies	52
Premiums receivable - third party	(1,393)
Premiums receivable - intercompany	(3,344)
Accrued investment income	(102)
Deferred acquisition costs - third party	(705)
Prepaid reinsurance - third party	297
Prepaid reinsurance - intercompany	232
Paid losses recoverable - third party	924
Paid losses recoverable - intercompany	(12,805)
Loss reserve recoverable - third party	7,397
Loss reserve recoverable - intercompany	(15,027)
Other assets	(10,053)
Reserve for losses and loss adj exp - third pary	(48,475)
Unearned premiums - third party	1,471
Reinsurance premiums payable - third party	(4,313)
Reinsurance premiums payable - intercompany	28,778

Losses payable - third party	(1,770)
Intercompany receivable/payable	3,134
Deferred tax asset	(728)
Deferred tax liability	(8,142)
Current taxes recoverable	(8,256)
Current taxes payable	11,327
Other liabilites	(4,342)
Accounts payable and accrued expenses	5,728
Net cash provided by operating activities	(29,717)
Cash flows used in investing activities:	
Purchases of fixed maturity investments	(158,280)
Sales and maturities of fixed maturity investments	94,498
Net purchases of short-term investments	(1,647)
Net sale of other investments	55,607
Net purchase of fixed assets	(120)
Net cash used in investing activities	(9,942)
Cash flows provided by financing activities:	
Dividends to parent	(29,400)
Net cash provided by financing activities	(29,400)
Effect of exchange rate changes on cash and cash equivalents	(2,136)
Net decrease in cash and cash equivalents	(71,195)
Cash and cash equivalents - beginning of year	134,015
Cash and cash equivalents - end of year	62,821

Cash and cash equivalent is made up of cash of $44,256k, money market balances of $16,121k and investments of $2,444k maturing within 90 days of the balance sheet date.

Exhibit 99.2

ATRIUM UNDERWRITING GROUP LIMITED

FINANCIAL STATEMENTS
NINE MONTHS to 30 SEPTEMBER 2013

ATRIUM UNDERWRITING GROUP LIMITED

UNAUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the nine months ending 30 September 2013 and 2012

TECHNICAL ACCOUNT – GENERAL BUSINESS

	Note	2013 $ 000	2012 $ 000
Gross premiums written	2	**119,813**	121,283
Outward reinsurance premiums	2	**(57,070)**	(85,160)
Net premiums written		**62,743**	36,123
Change in the gross provision for unearned premiums	2	**(7,034)**	(7,927)
Change in the provision for unearned premiums, reinsurers' share	2	**251**	(326)
Change in the net provision for unearned premiums		**(6,783)**	(8,253)
Earned premiums, net of reinsurance		**55,960**	27,870
Allocated investment return transferred from the non-technical account	4	**(268)**	4,609
Other technical income	3	**20,196**	20,711
Claims paid			
Gross amount	2	**(54,580)**	(50,365)
Reinsurers' share	2	**37,402**	10,783
Net claims paid		**(17,178)**	(39,582)
Change in the provision for claims			
Gross amount	2	**10,693**	12,816
Reinsurers' share	2	**(1,248)**	44,557
Net change in provision for claims		**9,445**	57,373
Claims incurred, net of reinsurance		**(7,733)**	17,791
Net operating expenses	5	**(32,577)**	(28,845)
Balance on the technical account for general business		**35,578**	42,136

ATRIUM UNDERWRITING GROUP LIMITED

UNAUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the nine months ending 30 September 2013 and 2012

NON-TECHNICAL ACCOUNT

	Note	2013 $ 000	2012 $ 000
Balance on the general business technical account		**35,578**	42,136
Investment income	4	**3,369**	3,413
Unrealised gain on investments	4	**136**	2,749
Investment expenses and charges	4	**(719)**	(483)
Unrealised losses on investments	4	**(2,953)**	(843)
Allocated investment return transferred to the general business technical account	4	**268**	(4,609)
Other charges, including amortisation		**(16,141)**	(16,399)
Profit on ordinary activities before tax		**19,538**	25,964
Tax on profit on ordinary activities	7	**(3,319)**	(7,281)
Profit on ordinary activities after tax		**16,219**	18,683

The profit and loss account relates entirely to continuing activities.

There are no recognised gains and losses other than the profit or loss for the period, therefore, no statement of total recognised gains or losses has been presented.

ATRIUM UNDERWRITING GROUP LIMITED

UNAUDITED CONSOLIDATED BALANCE SHEET
at 30 September 2013 (comparatives 31 December 2012)

	Note	2013 $ 000	2012 $ 000
Assets			
Intangible assets			
Goodwill		**6,486**	7,264
Purchased syndicate capacity		**4,183**	4,562
	8	**10,669**	11,826
Investments			
Tangible assets		**1,019**	279
Financial investments	9	**253,587**	278,603
Deposits with ceding undertakings	9	**573**	353
		255,179	279,235
Reinsurers' share of technical provisions			
Provision for unearned premiums	2	**3,776**	3,524
Claims outstanding	2	**82,689**	90,238
	12	**86,465**	93,762
Debtors			
Arising out of direct insurance operations - owed by intermediaries		**42,060**	54,991
Arising out of reinsurance operations		**105,450**	70,152
Other debtors		**5,211**	11,154
	10	**152,721**	136,297
Other assets			
Cash at bank		**78,236**	44,256
		78,236	44,256
Prepayments and accrued income			
Deferred acquisition costs	11	**20,160**	18,072
Other prepayments and accrued income		**20,318**	24,562
		40,478	42,634
Total assets		**623,748**	608,010

ATRIUM UNDERWRITING GROUP LIMITED

UNAUDITED CONSOLIDATED BALANCE SHEET
at 30 September 2013 (comparatives 31 December 2012)

	Note	2013 $ 000	2012 $ 000
Liabilities			
Capital and reserves			
Called up share capital		**24,702**	24,702
Profit and loss account		**51,504**	35,280
Share premium account		**2,161**	2,160
Merger reserve			—
Total shareholders funds		**78,367**	62,142
Technical provisions			
Provision for unearned premiums	2	**69,580**	62,546
Claims outstanding	2	**233,036**	250,319
	12	**302,616**	312,865
Provisions for other risk and charges	7	**21,940**	33,633
Deposits received from reinsurers		**172**	165
Creditors			
Arising out of direct insurance operations		**11,375**	23,446
Arising out of reinsurance operations		**180,412**	145,417
Other creditors including taxation and social security		**19,125**	14,764
	13	**210,912**	183,627
Accruals and deferred income		**9,741**	15,578
Total liabilities		**623,748**	608,010

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the nine months ending 30 September 2013 and 2012

1. ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements have been prepared solely for the purpose of meeting the requirements of Rule 3-05 of Regulation S-X. The financial statements have been prepared in accordance with UK Generally Accepted Accounting Policies ('UK GAAP') and the Statement of Recommended Practice on Accounting for Insurance Business issued by the Association of British Insurers in December 2005, as amended in December 2006, (the ABI SORP). See note 16 for reconciliation between UK GAAP and US GAAP.

The syndicates in which the Atrium Group participates are managed and controlled by their respective managing agents. The accounting information in respect of these participations has been provided by the managing agents and has been audited by their respective syndicate auditors. Information in respect of the Atrium Group's participations on the managed syndicates is available direct from the syndicate accounting records.

As a wholly owned subsidiary of Arden Holdings Limited (AHL), the Company has applied the exemption available in FRS 1 from the requirement to prepare a cash flow statement.

As a wholly owned subsidiary of AHL, the Company has applied the exemption available in FRS 8 from the requirement to disclose transactions with related parties.

The Atrium Group's functional and presentational currency is US Dollars.

(b) Basis of consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are those entities in which the Atrium Group directly or indirectly has the power to govern the operating and financial policies in order to gain economic benefits. The financial statements of subsidiaries are prepared for the same reporting year as the parent company. Subsidiaries are consolidated from the date control is gained and cease to be consolidated from the date control is transferred out.

For each syndicate in which the Atrium Group participates, the Atrium Group's proportion of the syndicate income and expenses has been reflected in its consolidated income statement and the Atrium Group's proportion of the syndicate's assets and liabilities has been reflected in its Consolidated Balance Sheet. Syndicate assets are held subject to trust deeds for the benefit of the syndicate's insurance creditors.

All inter-company balances, profits and transactions are eliminated.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the nine months ending 30 September 2013 and 2012

2. SEGMENTAL ANALYSIS

2013	Gross Premiums Written $ 000	Gross Premiums Earned $ 000	Gross Claims Incurred $ 000	Gross Operating Expenses $ 000	Reinsurance Balance $ 000	Net Technical Result $ 000	Net Technical Provisions $ 000
Direct business							
Accident and health	11,126	10,055	(4,844)	(3,635)	535	2,111	9,714
Motor	1,485	1,451	(1,083)	(524)	359	204	1,679
Marine, aviation and transport	44,906	43,429	(8,926)	(12,295)	(3,396)	18,812	56,736
Fire and other damage to property	28,201	25,849	(11,614)	(7,927)	(11,630)	(5,322)	45,292
Third party liability	21,584	20,002	(11,314)	(6,156)	(3,429)	(897)	72,307
Other	1,731	1,425	(573)	(379)	700	1,173	3,374
Total direct	109,033	102,211	(38,354)	(30,916)	(16,861)	16,080	189,102
Reinsurance Business							
Reinsurance acceptances	10,780	10,568	(5,533)	(1,241)	(4,224)	(430)	27,048
	119,813	112,779	(43,887)	(32,157)	(21,085)	15,650	216,150
Other technical income						20,196	
Allocated investment return						(268)	
Balance on technical account						35,578	

2012	Gross Premiums Written $ 000	Gross Premiums Earned $ 000	Gross Claims Incurred $ 000	Gross Operating Expenses $ 000	Reinsurance Balance $ 000	Net Technical Result $ 000	Net Technical Provisions $ 000
Direct business							
Accident and health	11,263	10,107	(4,144)	(3,350)	745	3,357	10,160
Motor	1,504	1,458	(926)	(483)	500	549	1,756
Marine, aviation and Transport	45,456	43,651	(7,637)	(11,332)	(4,728)	19,954	59,339
Fire and other damage to property	28,547	25,981	(9,937)	(7,306)	(16,190)	(7,452)	47,370
Third party liability	21,849	20,104	(9,680)	(5,674)	(4,773)	(24)	75,624
Other	1,752	1,433	(491)	(349)	974	1,567	3,529
Total direct	110,371	102,734	(32,815)	(28,494)	(23,472)	17,951	197,778
Reinsurance Business							
Reinsurance acceptances	10,912	10,622	(4,734)	(1,145)	(5,880)	(1,135)	28,288
	121,283	113,356	(37,549)	(29,639)	(29,352)	16,816	226,066
Other technical income						20,711	
Allocated investment return						4,609	
Balance on technical account						42,136	

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the nine months ending 30 September 2013 and 2012

2. SEGMENTAL ANALYSIS *(continued)*

All premiums were concluded in the UK. The geographic analysis of premiums by destination is as follows:

	2013 %	2012 %
UK	**3**	4
Other EU countries	**7**	6
US	**25**	33
Other	**65**	57
	100	100

3. OTHER TECHNICAL INCOME

	2013 $ 000	2012 $ 000
Fee income	**6,305**	5,841
Commission income	**13,671**	14,767
Other Income	**220**	103
	20,196	20,711

4. INVESTMENT RETURN

	2013 $ 000	2012 $ 000
Investment income		
Income from investments	**3,334**	3,308
Net gains on the realisation of investments	**—**	—
Other interest	**35**	105
	3,369	3,413
Investment expenses and charges		
Investment management expenses	**(211)**	(246)
Net losses on the realisation of investments	**(508)**	(237)
	(719)	(483)
Net unrealised gains on investments		
Unrealised gains on investments	**136**	2,749
Unrealised losses on investments	**(2,953)**	(843)
	(2,817)	1,906
Total investment return	**(167)**	4,836

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the nine months ending 30 September 2013 and 2012

5. NET OPERATING EXPENSES

	2013 $ 000	2012 $ 000
Brokerage and other business acquisition expenses	**29,217**	26,848
Change in deferred acquisition costs	**(2,088)**	(2,658)
Foreign exchange (gain)/loss	**(354)**	(637)
Syndicate operating expenses	**3,966**	4,341
Direct operating expenses	**1,416**	1,745
	32,157	29,639
Reinsurance commissions receivable	**420**	(794)
	32,577	28,845

6. SHARE BASED INCENTIVE SCHEMES

There were the following movements in the number of share awards held by employees:

	Period ended 30 September 2013 Number	Weighted average fair value US$	Period ended 30 September 2012 Number	Weighted average fair value US$
Outstanding at 1 January	**136,131**	**112.63**	149,676	93.63
Granted	—	—	30,323	118.97
Dividend Adjustment	—	—	—	—
Vested	—	—	—	—
Forfeited	—	—	(5,413)	101.69
Outstanding at 30 September	**136,131**	**112.63**	174,586	105.33

7. TAX

(a) Tax on profit on ordinary activities

	2013 $ 000	2012 $ 000
The tax charge is made up as follows:		
Current tax:		
UK corporation tax	**14,955**	10,155
Tax under provided (over) in previous years	**(34)**	2,827
	14,921	12,982
Foreign tax	**107**	690
Total current tax	**15,028**	13,672
Deferred tax:		
Origination and reversal of timing differences	**(9,889)**	(3,196)
Deferred tax under provided/(over) in previous years	—	—
Effect of decreased tax rate	**(1,820)**	(3,195)
Total deferred tax (note 8 (b))	**(11,709)**	(6,391)
Tax on profit on ordinary activities	**3,319**	7,281

(b) Deferred tax

	2013 $ 000	2012 $ 000
Balance at 1 January	**(33,649)**	(41,902)
Deferred tax credit (charge) in profit and loss account (note 8(a))	**11,709**	8,269
At 30 September	**(21,940)**	(33,633)
Analysis of deferred tax liability at 30 September:		
Provision for underwriting results	**(24,325)**	(36,341)
Other	**2,385**	2,708
	(21,940)	(33,633)

The deferred tax liability in respect of underwriting results relates to the underwriting results that have arisen on the 2011, 2012 and 2013 years of account. These results will be assessed to tax in 2014, 2015 and 2016 respectively.

8. INTANGIBLE ASSETS

	Goodwill $ 000	Purchased syndicate capacity $ 000	Total $ 000
Cost			
At 1 January 2013	20,756	10,105	30,861
Disposals	—	—	—
At 30 September 2013	20,756	10,105	30,861
Amortisation			
At 1 January 2013	13,492	5,543	19,035
Amortisation on disposals	—	—	—
Provided during the year	778	379	1,157
At 30 September 2013	14,270	5,922	20,192
Net book value			
At 30 September 2013	6,486	4,183	10,669
At 1 January 2013	7,264	4,562	11,826

9. FINANCIAL INVESTMENTS

	2013 Historic Cost $ 000	2013 Market Value $ 000	2012 Historic Cost $ 000	2012 Market Value $ 000
Debt securities and other fixed income securities	**252,713**	**220,334**	248,844	249,856
Loans and deposits with credit institutions	**6,626**	**6,590**	10,600	10,667
Other investments	—	—	1,959	1,959
Money market balances	**26,663**	**26,663**	16,121	16,121
	286,002	**253,587**	277,524	278,603

Analysis of market value	2013 $ 000	2012 $ 000
Listed investments	**220,334**	249,856
Unlisted investments	**6,590**	12,626
Money market balances	**26,663**	16,121
	253,587	278,603

Disclosure of Fair Values in accordance with the fair value hierarchy

In accordance with the Amendments to FRS 29 Financial Instruments: Disclosures, the fair value of financial instruments based on a three-level fair value hierarchy that reflects the significance of the inputs used in measuring the fair value is provided below.

The levels of the fair value hierarchy are defined by the standard as follows:

Level 1 - fair values measured using quoted prices (unadjusted) in active markets for identical instruments,

Level 2 - fair values measured using directly or indirectly observable inputs or other similar valuation techniques for which all significant inputs are based on observable market data,

Level 3 - fair values measured using valuation techniques for which significant inputs are not based on market observable data.

The fair value of the Atrium Group's financial assets are based on prices provided by investment managers who obtain market data from numerous independent pricing services. The pricing services used by the investment manager obtain actual transaction prices for securities that have quoted prices in active markets. For those securities which are not actively traded, the pricing services use common market valuation pricing models. Observable inputs used in common market valuation pricing models include, but are not limited to, broker quotes, credit ratings, interest rates and yield curves, prepayment speeds, default rates and other such inputs which are available from market sources.

Included within Level 1 of the hierarchy are the Atrium Group's share of Government bonds and Treasury bills which are measured based on quoted prices over which the Atrium Group has control.

Level 2 of the hierarchy contains the Atrium Group's share of U.S Government Agencies, Corporate Securities, Asset Backed Securities, Mortgage Backed Securities over which the Atrium Group has control. The fair value of these assets are based on prices obtained from both investment managers and investment custodians as discussed above. This level also include a disclosure of the Atrium Group's share of investments held by non managed syndicates. The directors have classified these holdings as Level 2 following discussions with the relevant managing agency.

The Atrium Group records the unadjusted price provided and validates the price through a number of methods, including a comparison of the prices provided by the investment managers with the investment custodians and the valuation used by external parties to derive fair value. Quoted prices for US Government Agencies and Corporate Securities are based on a limited number of transactions for those securities and as such the Atrium Group considers these instruments to have similar characteristics of those instruments classified as Level 2.

Having reviewed the Atrium Group's investments using the above criteria as valuation and pricing the Directors are satisfied that there are no Level 3 investments. In certain cases, the inputs used to measure the fair value of a financial instrument may fall into more than one level within the fair value hierarchy. In this instance, the fair value of the instrument in its entirety is classified based on the lowest level of input that is significant to the fair value measurement.

During the year, there were no transfers made between Level 1 and Level 2 of the fair value hierarchy.

30 September 2013	**Level 1 \$ 000**	**Level 2 \$ 000**	**Level 3 \$ 000**	**Total fair value \$ 000**
Financial assets :				
Government securities	73,929	50,004	—	123,933
Corporate	—	74,024	—	74,024
Asset backed securities	—	22,592	—	22,592
Mortgage backed securities	—	6,375	—	6,375
Deposits with ceding undertakings	—	573	—	573
Money market balances	26,663	—	—	26,663
Group Share of Non managed syndicate investments	—	—	—	—
	100,592	153,568	—	254,160

31 December 2012	**Level 1 \$ 000**	**Level 2 \$ 000**	**Level 3 \$ 000**	**Total fair value \$ 000**
Financial assets				
Government securities	112,109	49,455	—	161,564
Corporate	—	66,870	—	66,870
Asset backed securities	—	14,531	—	14,531
Mortgage backed securities	—	10,667	—	10,667
Deposits with ceding undertakings	—	353	—	353
Money market balances	16,121	—	—	16,121
Group Share of Non managed syndicate investments	—	8,850	—	8,850
	128,230	150,726	—	278,956

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the nine months ending 30 September 2013 and 2012

10. DEBTORS

	2013 $ 000	2012 $ 000
Amounts falling due within one year		
Arising out of direct insurance operations		
- owed by intermediaries	**42,007**	54,934
Arising out of reinsurance operations	**105,395**	70,066
Other debtors	**2,252**	8,148
	149,654	133,148
Amounts falling due after one year		
Arising out of direct insurance operations		
- owed by intermediaries	**53**	57
Arising out of reinsurance operations	**55**	86
Other debtors	**2,959**	3,006
	3,067	3,149
	152,721	136,297

11. DEFERRED ACQUISITION COSTS

	2013 $ 000	2012 $ 000
At 1 January	**18,072**	16,854
Change in deferred acquisition costs	**2,088**	1,218
At 30 September	**20,160**	18,072

12. TECHNICAL PROVISIONS

2013	Gross $ 000	Reinsurers' share $ 000	Net $ 000
Notified outstanding claims	**87,085**	**(66,610)**	**20,475**
Provision for Claims incurred but not reported	**143,646**	**(16,080)**	**127,566**
Claims handling expenses	**2,305**	**—**	**2,305**
Unearned premiums	**69,580**	**(3,775)**	**65,805**
	302,616	**(86,465)**	**216,151**

2012	Gross $ 000	Reinsurers' share $ 000	Net $ 000
Notified outstanding claims	99,232	(72,876)	26,356
Provision for Claims incurred but not reported	148,595	(17,362)	131,233
Claims handling expenses	2,492	—	2,492
Unearned premiums	62,546	(3,524)	59,022
	312,865	(93,762)	219,103

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the nine months ending 30 September 2013 and 2012

13. CREDITORS

	2013 $ 000	2012 $ 000
Amounts falling due within one year		
Arising out of direct insurance operations	**11,375**	23,446
Arising out of reinsurance operations	**180,412**	144,848
Other creditors including taxation and social security	**19,059**	14,491
	210,846	182,785
Amounts falling due after one year		
Arising out of direct insurance operations	—	—
Arising out of reinsurance operations	—	569
Other creditors including taxation and social security	**66**	273
	66	842
	210,912	183,627

14. CONTINGENT LIABILITIES

Charge over assets

At 1 January 2013, the Atrium Group's participation in underwriting at Lloyd's is £106.8 million (1 January 2012: £106.8 million), $172.4 million (2012: $172.7 million) at quarter end exchange rates, through ownership of its underwriting subsidiary Atrium 5 Limited, the group's corporate member.

15. SUBSEQUENT EVENTS

a) Dividend

The company declared and paid a dividend of $25 million on 20 November, 2013 to ordinary shareholders.

b) Ultimate Holding Company

On 5 June 2013, AHL entered into a definitive agreement with two subsidiaries of Enstar Group Limited ("Enstar") under which Enstar agreed to acquire the entire issued share capital of the Atrium Group. As at 30 September 2013, completion of the transaction remained conditioned on, among other things, governmental and regulatory approvals and satisfaction of various customary closing conditions. Enstar subsequently announced that Trident V, L.P., Trident V Parallel Fund, L.P. and Trident V Professionals Fund, L.P. (collectively, "Trident") had acquired a 40% interest in the holding company for the acquisition subsidiary on 3 July 2013 and had agreed to provide 40% of the purchase price and related expenses for the acquisition of the Atrium Group.

The parties to the definitive purchase agreement for the acquisition entered into a deed of variation on 21 November 2013, which provided, among other things, for the payment of a $25.0 million pre-completion dividend from Atrium to AHL and a corresponding $25.0 million reduction in the purchase price (bringing the total purchase price from $183.0 million to $158.0 million). The transaction was completed on 25 November 2013.

In addition, on 5 June 2013, AHL entered into a definitive agreement with two subsidiaries of Enstar under which Enstar agreed to acquire the entire issued share capital of Arden Reinsurance Company Limited ("Arden Re"), which is also a subsidiary of AHL. Arden Re is a Bermuda-based reinsurance company that provides reinsurance to Atrium's corporate name. The two transactions are governed by separate purchase agreements and Enstar's acquisition of the Atrium Group was not conditioned on its acquisition of Arden Re. On 9 September 2013, Arden Holdings completed its sale of Arden Re's entire issued share capital to Enstar's wholly-owned subsidiary and Trident.

16. SIGNIFICANT DIFFERENCES BETWEEN ACCOUNTING PRINCIPLES IN THE UNITED KINGDOM ("UK GAAP") AND ACCOUNTING PRINCIPLES IN THE UNITED STATES OF AMERICA ("US GAAP")

The Atrium Underwriting Group Limited financial statements have been prepared in accordance with UK GAAP as applied in note 1. UK GAAP differs to the requirements of US GAAP in certain respects. The effects of the application of US GAAP to the profit for the period after taxation, as determined under UK GAAP, are set out in the tables below:

a) Profit for the 9 months ending 30 September

<u>Income Statement</u>

		2013 $ 000		2012 $ 000
UK GAAP profit for the period after taxation		16,218		18,683
US GAAP adjustments:				
i) Amortisation of goodwill and purchased capacity	1,157		1149	
ii) DAC adjustment	(243)		(504)	
iii) Taxation	636		218	
Total US GAAP Adjustments		1,550		863
Amount treated as OCI				
iv) Unrealised (gains)/losses		3,972		(1,194)
Net income under US GAAP		**21,740**		**18,352**

<u>Comprehensive Income</u>

	2013 $ 000	2012 $ 000
Profit in accordance with US GAAP	21,740	18,352
Amount transferred from Income Statement		
iv) Unrealised (gains)/losses	(3,972)	1,194
Comprehensive income in accordance with US GAAP	**17,768**	**19,546**

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the nine months ending 30 September 2013 and 2012

i) Amortisation of goodwill and purchased capacity

Under UK GAAP goodwill arising on acquisitions and purchased syndicate capacity is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life up to a presumed maximum of 20 years. Under US GAAP goodwill and purchased capacity is not automatically amortised but reviewed, annual or more frequently if impairment indicators exist, for impairment instead. We have carried out an impairment review and no write down is required.

ii) DAC adjustment

Under UK GAAP the ABI SORP allows deferral of direct and indirect costs arising in the acquisition of insurance contracts. Under US GAAP insurance entities are required to capitalise certain acquisition costs directly related to successful insurance contracts. Indirect costs are required to be expensed as incurred.

iii) Taxation

This adjustment reflects the differences between the calculation of current and deferred taxation as set out in the table below:

US GAAP Taxation adjustments	**2013 $ 000**	**2012 $ 000**
Current taxation	(162)	246
Deferred taxation	798	(28)
	636	218

UK entities are taxed locally level with reference to their UK GAAP taxable profits. Adjustments made to present the consolidated results of the group under US GAAP are both presentational and numerical. To the extent that a temporary difference exists due to adjustments made, deferred tax has been recognised under US GAAP principles. The tax impact in the year is either in the profit and loss account or Other Comprehensive Income for US GAAP purposes, following where the underlying item to which the tax relates is accounted for. This is with the exception of the impact of tax rate changes, which are provided in the profit and loss account

iv) Amortisation adjustment and unrealised (gains)/losses re investments

Under UK GAAP investments are stated at their current values at the end of the period. Unrealised gains and losses are calculated as the difference between the valuation at the balance sheet date and their valuation at the last balance sheet date or purchase price, if acquired during the period. Unrealised gains and losses are included within investment return in the Profit and Loss Account.

Under US GAAP these investments are classified as available-for-sale and are carried at fair value, with unrealized gains and losses excluded from net earnings and reported as a separate component of accumulated Other Comprehensive Income.Amortization of premium or discount is recognized using the effective yield method and included in net investment income.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
For the nine months ending 30 September 2013 and 2012

b) Balance Sheet as at 30 September 2013 and 31 December 2012

	2013 $ 000	2012 $ 000
UK GAAP shareholders' equity interest	78,367	62,142
US GAAP adjustments:		
(i) Amortisation of goodwill and purchased capacity	20,192	19,035
(ii) DAC adjustment	(2,348)	(2,243)
(iii) Taxation	(528)	34
Total US GAAP Adjustments	17,316	16,826
Shareholders Funds under US GAAP	**95,682**	78,968

v) Taxation

This adjustment reflects the differences between the calculation of current and deferred taxation as set out in the table below:

	2013 $ 000	2012 $ 000
US GAAP Taxation adjustments		
Current taxation	0	0
Deferred taxation	528	(34)
	528	(34)

The position presented in the table above represents the cumulative impact of GAAP differences as at each balance sheet date, being due to temporary differences arising on differences between UK GAAP and US GAAP for DAC, purchased syndicate capacity amortisation, and amortisation adjustments regarding investments

c) Cash Flow Statement For the 9 months to 30 September 2013 and 2012

As a wholly owned subsidiary the Company applied the exemption available in FRS 1 from the requirement to prepare a cash flow statement for UK GAAP reporting purposes. Cash flow statements prepared on a US GAAP basis for the 9 months to 30 September 2013 and 2012 are set forth below.

	$,000 2013	$,000 2012
Cash flows provided by operating activities:		
Net income	17,768	19,546
Adjustments to reconcile net income to net cash provided by operating activities:		
Net realized investment gains	(249)	(64)
Net unrealised investment (gains) losses	0	0
Net realized investment gains on foreign exchange	(166)	(316)
Net amortization on fixed maturity and short-term investments	1,149	941
Depreciation	380	184
Change in:		
Deposits with ceding companies	(221)	(188)
Premiums receivable - third party	10,793	(4,909)

Premiums receivable – intercompany	(1,563)	(2,234)
Accrued investment income	(76)	(145)
Deferred acquisition costs - third party	(1,836)	(2,073)
Prepaid reinsurance - third party	(251)	94
Paid losses recoverable - third party	304	1,651
Paid losses recoverable - intercompany	(31,901)	(3,023)
Loss reserve recoverable - third party	891	5,400
Loss reserve recoverable - intercompany	6,657	(17,144)
Other assets	8,095	(2,041)
Reserve for losses and loss adjustment expenses - third party	(17,283)	(43,651)
Unearned premiums - third party	7,034	7,926
Reinsurance premiums payable - third party	322	(4,822)
Reinsurance premiums payable - intercompany	34,739	16,298
Losses payable - third party	(12,136)	(2,168)
Intercompany receivable/payable	(1,329)	551
Deferred tax asset	359	(110)
Deferred tax liability	(12,085)	(6,135)
Current taxes recoverable	(7,753)	(7,130)
Current taxes payable	14,175	15,500
Other liabilities	(604)	(5,192)
Accounts payable and accrued expenses	(5,836)	3,602
Net cash provided by operating activities	**8,656**	**(29,420)**

	\$ 000 2013	**\$ 000 2012**
Cash flows used in investing activities:		
Purchases of fixed maturity investments	(35,940)	(125,539)
Sales and maturities of fixed maturity investments	61,281	71,400
Net purchases of short-term investments	(4,350)	(229)
Net sale of other investments	8,849	0
Purchase of fixed assets	939	(40)
Net cash used in investing activities	**30,778**	**(2,160)**
Cash flows provided by financing activities:		
Dividends to parent	—	(29,400)
Net cash provided by financing activities	—	(29,400)
Effect of exchange rate changes on cash and cash equivalents	2,657	(2,310)
Net increase (decrease) in cash and cash equivalents	**42,091**	**(63,290)**
Cash and cash equivalents - beginning of year	62,821	134,015
Cash and cash equivalents - end of period	**104,912**	**70,725**

Exhibit 99.3

ENSTAR GROUP LIMITED
UNAUDITED PRO FORMA CONDENSED COMBINED CONSOLIDATED FINANCIAL STATEMENTS

The following preliminary unaudited pro forma condensed combined consolidated balance sheet as of September 30, 2013 is based on the historical financial statements of Enstar Group Limited ("Enstar") and the consolidated results of Atrium Underwriting Group Ltd. ("Atrium"). It is presented as if Enstar had completed the acquisition of Atrium as of September 30, 2013.

The following preliminary unaudited pro forma statements of earnings are based on the historical financial statements of Enstar, the consolidated results of Atrium, and the consolidated results of the following significant acquisitions that Enstar completed during 2013: (i) HSBC Insurance Company of Delaware and Household Life Insurance Company of Delaware and their subsidiaries: Household Life Insurance Company, Household Life Insurance Company of Arizona, and First Central National Life Insurance Company of New York (the acquired companies collectively, the "Pavonia companies") and (ii) Arden Reinsurance Company Ltd. ("Arden").

On November 25, 2013, Kenmare Holdings Ltd. ("Kenmare"), a wholly-owned subsidiary of Enstar, together with Trident V, L.P., Trident V Parallel Fund, L.P. and Trident V Professionals Fund, L.P. (collectively, "Trident"), completed the acquisition of Atrium from Arden Holdings Ltd. The purchaser of Atrium, Alopuc Limited, is 100% owned by Northshore Holdings Limited ("Northshore"), which is 60% owned by Kenmare and 40% owned by Trident.

On March 31, 2013, a wholly-owned subsidiary of Enstar completed the acquisition of the Pavonia companies. On September 9, 2013, Kenmare and Trident, through Northshore, completed the acquisition of Arden from Arden Holdings Ltd. Pavonia and Arden are not separately included in the preliminary unaudited pro forma condensed combined consolidated balance sheet as of September 30, 2013 because the acquisitions were reflected in Enstar's actual balance sheet as of September 30, 2013, which was included within Enstar's Quarterly Report on Form 10-Q filed with the U.S Securities and Exchange Commission ("SEC") on November 7, 2013.

The preliminary unaudited pro forma condensed combined consolidated statement of earnings for the nine months ended September 30, 2013 is presented as if Enstar had completed the acquisitions of Pavonia, Arden, and Atrium as of January 1, 2013. The preliminary unaudited pro forma condensed combined consolidated statement of earnings for the year ended December 31, 2012 is presented as if Enstar had completed the acquisitions of Pavonia, Arden, and Atrium as of January 1, 2012.

The preliminary unaudited condensed combined consolidated pro forma financial information reflects the purchase of Atrium under the purchase method of accounting for business combinations and represents a current estimate of the financial information based on information available as of the date of this Current Report on Form 8-K/A. The preliminary unaudited pro forma information includes adjustments to record the assets and liabilities of Atrium at their estimated fair values under the purchase method of accounting for business combinations. The excess of the acquisition consideration over the fair value of the assets acquired and liabilities assumed, if any, is allocated to goodwill. A final determination of the acquisition consideration and fair values of Atrium's assets and liabilities will be based on the actual net tangible and intangible assets of Atrium that existed on November 25, 2013, the date the transaction was completed. To the extent there are significant changes to Atrium's business, the assumptions and estimates herein could change significantly.

The preliminary unaudited pro forma financial information is presented for informational purposes only under one set of assumptions and does not reflect the financial results of the combined companies had consideration been given to other assumptions or to the impact of possible operating efficiencies, asset dispositions, and other factors. Further, the pro forma financial information does not necessarily reflect the historical results of the combined companies that actually would have occurred had the transaction been in effect during the periods indicated or that may be obtained in the future.

The preliminary unaudited pro forma condensed combined consolidated financial information should be read in conjunction with:

- Enstar's "Management's Discussion and Analysis of Financial Condition and Results of Operations" and historical financial statements, including the related notes, with respect to the year ended December 31, 2012 included in Enstar's Annual Report on Form 10-K for the fiscal year ended December 31, 2012, which was filed with the SEC on February 28, 2013;
- Enstar's subsequent Quarterly Reports on Form 10-Q filed with the SEC;
- the historical financial statements of Atrium included in Exhibits 99.1 and 99.2 to this Current Report on Form 8-K/A;
- the historical financial statements of the Pavonia companies included in Exhibit 99.1 to the Current Report on Form 8-K/A, which was filed with the SEC on June 14, 2013; and
- the historical financial statements of Arden included in Exhibits 99.1 through 99.3 to the Current Report on Form 8-K/A, which was filed with the SEC on November 25, 2013.

Enstar Group Limited
Preliminary Unaudited Pro Forma Condensed Combined Consolidated Balance Sheet
As of September 30, 2013
(Expressed in thousands of U.S. dollars)

	Enstar	Atrium	Atrium Pro Forma Adjustments		Combined
ASSETS					
Total investments	$ 5,457,099	$209,449	$ —		$5,666,548
Cash and cash equivalents	520,560	104,912	(24,800)	**(a)**	600,672
Restricted cash and cash equivalents	386,605	—	—		386,605
Accrued interest receivable	42,215	—	—		42,215
Accounts receivable	59,745	5,211	—		64,956
Premiums receivable	153,623	56,038	—		209,661
Income taxes recoverable	11,718	—	—		11,718
Deferred tax asset	41,478	—	—		41,478
Reinsurance balances recoverable	1,395,345	177,937	(382)	**(b)**	1,572,900
Funds held by reinsured companies	235,156	19,054	—		254,210
Goodwill	21,222	20,756	13,800	**(c)**	55,778
Intangible assets	—	10,105	92,195	**(d)**	102,300
Other assets	17,503	20,318	177	**(e)**	37,998
TOTAL ASSETS	8,342,269	623,780	80,990		9,047,039
LIABILITIES					
Losses and loss adjustment expenses	4,400,418	233,036	(3,301)	**(f)**	4,630,153
Policy benefits for life and annuity contracts	1,288,148	—	—		1,288,148
Unearned premium	34,136	51,768	—		85,904
Insurance and reinsurance balances payable	213,033	191,787	—		404,820
Accounts payable and accrued liabilities	74,587	9,741	—		84,328
Income taxes payable	19,635	—	—		19,635
Deferred tax liabilities	7,260	22,468	21,774	**(g)**	51,502
Loans payable	355,663	—	95,000	**(h)**	450,663
Other liabilities	73,478	19,297			92,775
TOTAL LIABILITIES	6,466,358	528,097	113,473		7,107,928
COMMITMENTS AND CONTINGENCIES					
REDEEMABLE NONCONTROLLING INTEREST	32,507	—	63,200	**(i)**	95,707
SHAREHOLDERS' EQUITY					
Share capital	—				
Ordinary shares	13,801	24,702	(24,702)	**(j)**	13,801
Non-voting convertible ordinary shares	5,699	—	—		5,699
Treasury stock	(421,559)	—	—		(421,559)
Additional paid-in capital	961,270	2,161	(2,161)	**(k)**	961,270
Accumulated other comprehensive income	14,676	15,953	(15,953)	**(l)**	14,676
Retained earnings	1,043,996	52,867	(52,867)	**(m)**	1,043,996
Total Enstar Shareholders' Equity	1,617,883	95,683	(95,683)		1,617,883
Noncontrolling interests	225,521	—	—		225,521
TOTAL SHAREHOLDERS' EQUITY	1,843,404	95,683	(95,683)		1,843,404
TOTAL LIABILITIES, REDEEMABLE NONCONTROLLING INTEREST AND SHAREHOLDERS' EQUITY	$ 8,342,269	$623,780	$ 80,990		$9,047,039

Enstar Group Limited
Preliminary Unaudited Pro Forma Condensed Combined Consolidated Statement of Earnings
For the Nine Months Ended September 30, 2013
(Expressed in thousands of U.S. dollars)

	Enstar	Pavonia	Pavonia Pro forma Adjustments		Arden	Arden Pro forma Adjustments		Sub-total Pro forma Combined	Atrium	Atrium Pro forma Adjustments		Pro forma Combined
INCOME												
Net premiums earned	$ 165,931	$ 34,061	$ —		$ 15,314	$ —		$ 215,306	$ 55,960	$ —		$ 271,266
Consulting fees	7,805	—	—		—	—		7,805	6,305	—		14,110
Commission income	—	826	—		40	—		866	13,251	—		14,117
Net investment income	70,224	13,307	—		371	—		83,902	3,377	—		87,279
Net realized and unrealized gains (losses)	39,211	82	—		154	—		39,447	647	—		40,094
	283,171	48,275	—		15,879	—		347,326	79,540	—		426,866
EXPENSES												
Net reduction in ultimate loss and loss adjustment expense liabilities	(26,638)	—	—		16,954	218	(r)	(9,460)	7,976	—		(1,490)
Life and annuity policy benefits	63,555	36,318	4,991	(n), (o)	—	—		104,864	—	—		104,864
Acquisition costs	—	6,529	—		1,720	—		8,248	27,129	—		35,377
Salaries and benefits	79,013	—	—		—	—		79,013	—	19,468	(w)	98,481
General and administrative expenses	67,074	5,149	—		105	—		72,328	20,366	(18,278)	(x),(y)	74,416
Interest expense	8,796	—	442	(p)	—	1,111	(u)	10,349	—	2,449	(z)	12,798
Net foreign exchange gains	(3,994)	—	—		(174)	—		(4,168)	(354)	—		(4,522)
	187,806	47,996	5,433		18,605	1,329		261,169	55,117	3,639		319,924
EARNINGS BEFORE INCOME TAXES	95,365	280	(5,433)		(2,726)	(1,329)		86,157	24,423	(3,639)		106,942
INCOME TAXES	(13,726)	(98)	1,902	(q)	(40)	—		(11,962)	(2,683)	—		(14,645)
NET EARNINGS	81,639	182	(3,531)		(2,766)	(1,329)		74,195	21,740	(3,639)		92,296
Less: Net earnings attributable to noncontrolling interest	(10,496)	—	—		—	1,236	(v)	(9,260)	—	(8,220)	(aa)	(17,480)
NET EARNINGS ATTRIBUTABLE TO ENSTAR GROUP LIMITED	$ 71,143	$ 182	$ (3,531)		$ (2,766)	$ (93)		$ 64,935	$ 21,740	$ (11,859)		$ 74,816
Earning per share — basic	$ 4.31							$ 3.93				$ 4.53
Earning per share — diluted	$ 4.26							$ 3.89				$ 4.48
Weighted average shares outstanding - basic	16,521,865							16,521,865				16,521,865
Weighted average shares outstanding - diluted	16,698,640							16,698,640				16,698,640

Enstar Group Limited
Preliminary Unaudited Pro Forma Condensed Combined Consolidated Statement of Earnings
For the Year Ended December 31, 2012
(Expressed in thousands of U.S. dollars)

	Enstar	Pavonia	Pavonia Pro forma Adjustments		Arden	Arden Pro forma Adjustments		Sub-total Pro forma Combined	Atrium	Atrium Pro forma Adjustments		Pro forma Combined
INCOME												
Net premiums earned	$ —	$189,937	$ —		$171,016	$ —		$ 360,953	$ 48,693	$ —		$ 409,646
Consulting fees	8,570	—	—		—	—		8,570	8,064	—		16,634
Other income	—	—	—		55,011	—		55,011		—		55,011
Commission income	—	3,955	—		—	—		3,955	21,469	—		25,424
Net investment income	77,760	64,340	—		8,147	—		150,247	4,211	—		154,458
Net realized and unrealized gains (losses)	73,612	21,995	—		20,751	—		1,16,358	1,169	—		1,17,527
	159,942	280,227	—		254,925	—		695,094	83,606	—		778,700
EXPENSES												
Net reduction in ultimate loss and loss adjustment expense liabilities	(241,764)	2,977	—		70,047	327	(r)	(168,413)	(12,196)	—		(180,609)
Life and annuity policy benefits	—	149,719	19,964	(n),(o)	—	—		169,863	—	—		169,863
Acquisition costs	—	—	—		14,520	—		14,520	34,643	—		49,163
Salaries and benefits	100,473	17,566	—		—	6,791	(s)	124,830	—	25,101	(w)	149,931
General and administrative expenses	56,592	79,601	—		22,388	(6,791)	(t)	151,790	28,842	(23,514)	(x),(y)	157,118
Interest expense	8,426	—	2,250	(p)	—	1,855	(u)	12,531	—	3,685	(z)	16,216
Net foreign exchange losses (gains)	406	—	—		1,071	—		1,477	(950)	—		527
	(75,867)	249,863	22,214		108,026	2,181		306,418	50,339	5,271		362,028
EARNINGS BEFORE INCOME TAXES	235,809	30,364	(22,214)		146,899	(2,181)		388,676	33,267	(5,271)		416,672
INCOME TAXES	(44,290)	(18,120)	7,775	(q)	(159)	—		(54,794)	(3,201)	—		(57,995)
NET EARNINGS	191,519	12,244	(14,439)		146,740	(2,181)		333,882	30,066	(5,271)		358,677
Less: Net earnings attributable to noncontrolling interest	(23,502)	—	—		—	(58,565)	(v)	(82,067)	—	(11,392)	(aa)	(93,459)
NET EARNINGS ATTRIBUTABLE TO ENSTAR GROUP LIMITED	$ 168,017	$ 12,244	$ (14,439)		$146,740	$ (60,746)		$ 251,815	$ 30,066	$ (16,663)		$ 265,218
Earning per share — basic	$ 10.22							$ 15.32				$ 16.13
Earning per share — diluted	$ 10.10							$ 15.13				$ 15.94
Weighted average shares outstanding - basic	16,441,461							16,441,461				16,441,461
Weighted average shares outstanding - diluted	16,638,021							16,638,021				16,638,021

1. Acquisition Consideration Allocation

Under the acquisition method of accounting, the total acquisition consideration is allocated to the acquired tangible and identifiable intangible assets and assumed liabilities of Atrium based on their estimated fair values as of the closing of the transaction. The excess of the acquisition consideration over the fair value of assets acquired and liabilities assumed, if any, is allocated to goodwill.

The preliminary unaudited pro forma adjustments included herein are subject to update as additional information becomes available and as additional analysis is performed. The final allocation of the purchase price will be determined after completion of a thorough analysis to determine the fair values of Atrium's tangible and identifiable intangible assets and liabilities. Accordingly, the final amounts allocated to assets acquired and liabilities assumed could differ significantly from the amounts presented in the preliminary unaudited pro forma consolidated financial statements.

The total acquisition consideration is allocated to Atrium's tangible and identifiable intangible assets and liabilities as of September 30, 2013 based on their preliminary fair values as follows:

	September 30, 2013 (in thousands of U.S. dollars)
ASSETS	
Investments	$ 184,449
Cash and cash equivalents	104,912
Accounts receivable	5,211
Premiums receivable	56,038
Reinsurance balances recoverable	177,555
Funds held by reinsured companies	19,054
Other assets	20,495
TOTAL ASSETS	567,714
LIABILITIES	
Losses and loss adjustment expenses	229,735
Insurance and reinsurance balances payable	191,787
Unearned premium	51,768
Deferred taxes	44,242
Other liabilities	29,038
TOTAL LIABILITIES	546,570
NET ASSETS ACQUIRED AT FAIR VALUE	21,144
Goodwill	34,556
Intangibles	102,300
ACQUISITION DATE FAIR VALUE	$ 158,000

Approximately $102.3 million has been preliminarily allocated to amortizable intangible assets acquired. The amortization related to the preliminary fair value of amortizable intangible assets is reflected as a pro forma adjustment to the unaudited pro forma consolidated financial statements.

Identifiable intangible assets. The preliminary fair values of intangible assets were determined based on the provisions of Accounting Standards Codification (ASC) 805, *Business Combinations*, which defines fair value in accordance with ASC 820, *Fair Value Measurements and Disclosures*. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Intangible assets were identified that met either the separability criterion or the contractual-legal criterion described in ASC 805. The preliminary allocation to intangible assets is as follows:

	September 30, 2013 (in thousands of U.S. dollars)	Estimated Useful Life
Syndicate capacity	45,300	Indefinite
Management contract	33,200	Indefinite
Distribution channel	17,000	15 Years
Brand	6,800	10 years
Total identified intangible assets	$ 102,300	

Goodwill. Goodwill represents the excess of the acquisition consideration over the preliminary fair value of the underlying net tangible and intangible assets. Among the factors that contributed to a purchase price in excess of the fair value of the identifiable net tangible and intangible assets are the skill sets, operations and synergies that can be leveraged to enable the combined company to build a stronger enterprise. According to ASC 805, an assembled workforce does not represent the intellectual capital of this workforce, it only represents an existing collection of employees. As such, it is not an identifiable asset and is therefore recognized as part of goodwill.

In accordance with ASC 350, *Intangibles-Goodwill and Other*, goodwill will not be amortized, but instead will be tested for impairment at least annually and whenever events or circumstances have occurred that may indicate a possible impairment. If management determines that the value of goodwill has become impaired, Enstar will incur a charge to earnings for the amount of the impairment during the period in which the determination is made.

2. Unaudited Pro Forma and Acquisition Accounting Adjustments

The unaudited pro forma financial information is not necessarily indicative of what the financial position and results from operations actually would have been had the transactions been completed at the dates indicated and includes adjustments which are preliminary and may be revised. Such revisions may result in material changes. The financial position shown herein is not necessarily indicative of what the past financial position of the combined companies would have been, nor necessarily indicative of the financial position of the post-transaction periods.

The following unaudited pro forma adjustments result from accounting for the transactions, including the determination of fair value of the assets, liabilities, and commitments which Enstar, as the acquirer for accounting purposes, will acquire and assume from the acquired companies. The descriptions related to these preliminary adjustments are as follows:

Balance Sheet:

		Increase (decrease) as of September 30, 2013
		(dollars in thousands)
(a)	Adjustments to cash and cash equivalents:	
	To reflect cash received by Enstar from drawdown on its revolving credit facility ("RCF")	95,000
	To reflect cash received from redeemable noncontrolling interest for their 40% share of the acquisition consideration	63,200
	To reflect cash paid to Atrium's shareholders	(158,000)
	To reflect pre-acquisition dividend paid to Atrium's shareholders	(25,000)
(b)	Adjustment to reflect reinsurance balances recoverable at fair value	(382)
(c)	Adjustment to reflect the elimination of Atrium's carried goodwill	(20,756)
	Adjustment to reflect the goodwill recorded by Enstar on the completion of acquisition of Atrium	34,556
(d)	Adjustment to reflect the intangible assets recorded by Enstar on the completion of the acquisition of Atrium	102,300
	Adjustment to reflect elimination of Atrium's carried intangible assets	(10,105)
(e)	Adjustment to reflect other assets at fair value	177
(f)	Adjustment to reflect unpaid losses and loss adjustment expenses at fair value	(3,301)
(g)	Adjustment to reflect deferred tax liability on the goodwill and intangible assets recorded by Enstar on the completion of acquisition of Atrium	(21,774)
(h)	Adjustment to reflect the drawdown by Enstar of its RCF	95,000
(i)	Adjustment to reflect the fair value of the redeemable noncontrolling interests' capital contribution	63,200
(j)	Adjustment to reflect the elimination of Atrium's common stock	(24,702)
(k)	Adjustment to reflect the elimination of Atrium's additional paid-in capital	(2,161)
(l)	Adjustment to reflect the elimination of Atrium's accumulated other comprehensive income	(15,953)
(m)	Adjustment to reflect the elimination of Atrium's retained earnings	(52,867)

Income Statement:

		Increase (decrease) for the Nine Months Ended September 30, 2013	Increase (decrease) for Year Ended December 31, 2012
		(dollars in thousands)	
	<u>Pavonia Pro Forma Adjustments</u>		
(n)	Adjustment to amortize the fair value adjustment of intangible assets with a definitive life	(2,825)	(11,300)
(o)	Net adjustment related to the unlocking and reassessment of the actuarial estimates of the business acquired	(2,166)	(8,664)

(p)	Adjustment to reflect the interest expense on the drawdown of the RCF	(442)	(2,250)
(q)	Adjustment to reflect income tax impact of pro forma adjustments based on an assumed tax rate of 35%	1,902	7,775
	Arden Pro Forma Adjustments		
(r)	Adjustment to amortize the fair value adjustment of intangible assets	(218)	(327)
(s)	Adjustment to reclassify salaries and benefits to conform presentation	—	(6,791)
(t)	Adjustment to remove salary and benefits from general and administrative expenses to conform presentation	—	6,791
(u)	Adjustment to reflect the interest expense on the drawdown of the RCF	(1,111)	(1,855)
(v)	Adjustment to reflect the redeemable noncontrolling interest's 40% share of Arden's pro forma loss (earnings) and cumulative adjustment entries	1,236	(58,565)
	Atrium Pro Forma Adjustments		
(w)	Adjustment to reclassify salaries and benefits to conform presentation	(19,468)	(25,101)
(x)	Adjustment to remove salary and benefits from general and administrative expenses to conform presentation	19,468	25,101
(y)	Adjustment to amortize the fair value adjustment of intangible assets	(1,190)	(1,587)
(z)	Adjustment to reflect the interest expense on the drawdown of the RCF	(2,449)	(3,685)
(aa)	Adjustment to reflect the redeemable noncontrolling interest's share of Atrium's pro forma earnings and adjustments	(8,220)	(11,392)